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SUBJECT: AMBASSADOR MEETS WITH MINISTER OF LABOR GHAZI
AL-GOSAIBI

¶1. Summary. During the Ambassador's call on Minister of Labor Ghazi al-Gosaibi on December 10, al-Gosaibi discussed the challenge of curbing Saudi unemployment in the midst of demographic expansion. Al-Gosaibi explained that he is trying to make employing Saudis more attractive by making hiring foreigners less attractive. He also shared his view that "no one" is interested in issuing a law to protect domestic servants in the Kingdom because everyone is comfortable with the status quo. End Summary.

¶2. During the Ambassador's call on Minister of Labor Ghazi al-Gosaibi on December 10, al-Gosaibi identified reducing Saudi unemployment as his primary goal. The Ambassador cited Saudi Arabia's increasingly young population as a circumstance exacerbating unemployment. Agreeing, al-Gosaibi cited current unemployment figures for Saudis as 11% overall, 8% for men and 26% for women. Al-Gosaibi shared that increasing employment opportunities for women is especially difficult because of cultural resistance to women working outside of the home and the need to provide separate working spaces for men and women.

¶3. Al-Gosaibi seeks to reduce the Kingdom's historical reliance on "cheap foreign labor" by limiting the number of foreign workers that can be hired and making it more expensive to hire them (thus making hiring Saudis more attractive). Al-Gosaibi acknowledged that some progress can be made with "draconian" measures requiring businesses to hire Saudis, but that for ultimate success it must make business sense to hire Saudis. He conceded that despite his efforts, 1.8 million foreign workers (including 500,000 domestic workers) will arrive to work in Saudi Arabia this year, bringing the number of foreign workers in the Kingdom to 6.5 million. Al-Gosaibi observed that if women could drive, there would be no need for the 200,000 foreign drivers arriving to work in Saudi Arabia this year.

¶4. Al-Gosaibi is pessimistic regarding the possibility of a law soon being issued to cover and protect domestic workers. Clearly referring only to Saudi employers, he stated that "no one" is interested in passing such a law because everyone is satisfied with the status quo. Al-Gosaibi reported that, while it is not compulsory, the Ministry may try to use a model GCC law as a means of providing some additional protections to domestic workers. He also offered to appoint a person in his Ministry to serve as a source of information about the Ministry's efforts to protect the rights of foreign workers, and thus help ensure that the full extent of their efforts on behalf of foreign workers is well understood by the U.S.

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